## AMENDED IN SENATE JULY 14, 2011 AMENDED IN SENATE JUNE 28, 2011 AMENDED IN SENATE JUNE 1, 2011

CALIFORNIA LEGISLATURE—2011–12 REGULAR SESSION

## ASSEMBLY BILL

No. 1422

## Introduced by Assembly Member Perea (Principal coauthors: Assembly Members Cook, Nielsen, and Pan) (Principal coauthors: Senators La Malfa and Rubio)

March 22, 2011

An act to add Section 7044.3 to the Business and Professions Code, to amend Sections 11005, 11005.2, 11007.1, 11011.13, and 14255 of the Government Code, to amend Section 1720 of the Labor Code, and to amend Sections 10106, 10107, and 10295 of the Public Contract Code, relating to high-speed rail. An act to add and repeal Section 972.4 of the Military and Veterans Code, relating to veterans.

## LEGISLATIVE COUNSEL'S DIGEST

AB 1422, as amended, Perea. High-speed rail. Department of Veterans Affairs: administration.

Existing law establishes the Department of Veterans Affairs within state government and sets forth its powers and duties, including, but not limited to, administration of veterans benefits programs.

This bill would state the intent of the Legislature that the Department of Veterans Affairs identify any savings in the operations of the veterans home system and prioritize the allocation of those identified savings to offset any program reductions, as specified. This bill would require the department to make a report to the Legislature that would include

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information on the savings and the programs that were augmented with those identified savings.

Existing law, the California High-Speed Train Act, creates the High-Speed Rail Authority to develop and implement a high-speed train system in the state, with specified powers and duties. Existing law, the Safe, Reliable High-Speed Passenger Train Bond Act for the 21st Century, approved by the voters as Proposition 1A at the November 4, 2008, general election, provides for the issuance of \$9.95 billion in general obligation bonds for high-speed rail and related purposes.

Existing law generally requires the approval of the Department of General Services before a state agency may acquire, hire, dispose of, or let real property in fee or in a lesser interest, subject to certain exceptions, including real property obtained for highway purposes by the Department of Transportation. Existing law requires the Department of General Services to inventory state-owned property, other than property owned by the Department of Transportation and certain other state agencies. Existing law provides that property acquired by the Department of Transportation for highway purposes and leased back for commercial or business uses to the former owner for a term exceeding 6 months may be insured for loss by fire at the request of the former owner with the premium for insurance included in the rent.

This bill would enact similar exceptions, authorizations, and exemptions relative to real property obtained for high-speed rail purposes by the High-Speed Rail Authority. The bill would make various other additional conforming changes.

Existing law provides that the Department of General Services is the responsible agency for projects under the Public Contract Code, and generally requires all contracts entered into by state agencies to first be approved by the department, except with respect to projects and contracts under the jurisdiction of other specified state agencies.

This bill would provide that the High-Speed Rail Authority is the responsible agency for projects and contracts under its jurisdiction and does not require the approval of the Department of General Services in that regard.

Existing law defines "public works" for purposes of requirements relating to wages, working hours, and other aspects of employment.

This bill would include high-speed rail systems of the High-Speed Rail Authority within the definition of public works for the purposes described above.

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Existing law provides for the licensing and regulation of contractors by the Contractors' State License Board.

This bill would provide that these provisions do not apply to an entity that is a party to a franchise contract with the High-Speed Rail Authority if all actual construction work under the franchise contract is performed by licensed contractors.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

*The people of the State of California do enact as follows:* 

- 1 SECTION 1. Section 972.4 is added to the Military and 2 Veterans Code, to read:
  - 972.4. (a) It is the intent of the Legislature that any savings that the Department of Veterans Affairs identifies in the operations of the veterans home system shall be used by the department to support the veterans of the State of California. Any funds from the identified savings shall be used to augment existing programs.
  - (b) The priority for any funds identified pursuant to subdivision (a) shall be to offset any reductions or budget cuts to programs overseen by the Department of Veterans Affairs made by Chapter 33 of the Statutes of 2011. It is the intent of the Legislature that those funds first be used to offset the twenty million two hundred thousand dollar (\$20,200,000) decrease achieved by delaying the opening of the Redding and Fresno veterans homes.
  - (c) (1) On or before June 30, 2012, the Department of Veterans Affairs shall provide the Legislature with a report that includes the amount of any funds identified pursuant to subdivision (a), a list of programs that received additional funds pursuant to subdivision (b), and any additional federal funding or other public or private insurance money available to assist veterans homes.
  - (2) A report to be submitted pursuant to paragraph (1) shall be submitted in compliance with Section 9795 of the Government Code.
- (d)This section shall remain in effect only until June 30, 2012,
  and as of that date is repealed, unless a later enacted statute, that
  is enacted before June 30, 2012, deletes or extends that date.

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All matter omitted in this version of the bill appears in the bill as amended in the Senate, June 28, 2011. (JR11)